

# EXHIBIT B

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
NORTHERN DIVISION

- - -  
EQUAL EMPLOYMENT : CIVIL NO.  
OPPORTUNITY COMMISSION:  
and :  
KATHY C. KOCH :  
INTERVENOR/PLAINTIFF:  
v :  
L.A. WEIGHT LOSS :  
CENTERS, INC. :  
Defendant : WDQ-02-CV-648

- - -  
NOVEMBER 16, 2004  
- - -

Oral deposition of VAHAN KARIAN,  
taken pursuant to notice, was held at the  
offices of the EQUAL EMPLOYMENT  
OPPORTUNITY COMMISSION, The Bourse  
Building, 4th Floor, Philadelphia, PA,  
beginning at 9:35 a.m., on the above  
date, before Nancy D. Ronayne, a Court  
Reporter and Notary Public in the  
Commonwealth of Pennsylvania.

- - -  
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## VAHAN KARIAN

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1 specifically did there come a time where  
2 you became more actively involved in the  
3 operation side of the business?

4 A. No, I wouldn't say that. I  
5 would say the level of involvement that  
6 I've had on the operation side of the  
7 business has decreased through time at  
8 varying levels, but as the company got  
9 larger and we depended more on layers of  
10 management we needed more layers of  
11 management, there weren't less layers of  
12 management, I became less and less  
13 directly involved with that function.

14 Q. Have you ever since the  
15 start of the company, have you ever been  
16 involved in setting policies regarding  
17 hiring at L.A. Weight Loss?

18 MR. LANDAU: Object to the  
19 form, vague.

20 THE WITNESS: Since I  
21 started?

22 BY MR. PHILLIPS:

23 Q. Yes.

24 A. Yes.

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1 Q. What's the nature of your  
2 involvement?

3 A. Just describing the skill  
4 set of the person that the skill that we  
5 should look for when we're interviewing  
6 and hiring people.

7 Q. Is that a form of  
8 involvement you've had since the start of  
9 the company?

10 A. Definitely at the beginning  
11 parts. And again, as time went on it  
12 became less and less.

13 Q. As time went on it became  
14 less and less, less and less and  
15 specifically referring to your describing  
16 the skill set of the person that the  
17 company wants to hire for whatever job,  
18 who has assumed that responsibility as  
19 you have scaled back your involvement?

20 A. A collage of people. We  
21 took input from human resource  
22 department, we took input from heads of  
23 operations, regional managers, directors,  
24 today VPs of operations, our COO. It's a

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1 collaborate fluid description as to who  
2 we're looking for. And we're always  
3 trying to figure out how do you find that  
4 right person in that interview, what is  
5 it that we're looking for, to the point  
6 that we're considering hiring a  
7 consulting firm to go out into our  
8 stores, look at the people that are  
9 successful, study their behaviors and  
10 characteristics and be able to try to  
11 identify that in the interview.

12 So it's a constantly  
13 evolving process. And all these people  
14 are involved in that because they're  
15 where the rubber meets the road, they're  
16 the ones doing it. So they're giving us  
17 the feedback as to who is working out and  
18 what it was that they had.

19 Q. Has there been any one  
20 particular person or set of persons who  
21 has had sort of ultimate responsibility  
22 for that, for deciding?

23 A. No. I wouldn't -- no.

24 Q. Is there any one person

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1 whose had that predominant role in the  
2 functions you just described?

3 A. At varying times that would  
4 change, so the answer is no, there's not  
5 that one person to determine that.

6 Q. So is it true that there has  
7 been someone that had a predominant role  
8 but it's just fluctuated over time?

9 A. No. It depended on the  
10 market place, who was there. If you had  
11 a regional manager for instance that has  
12 been with us for a long time or showed a  
13 high skill set, she was left alone and  
14 we'd let her hire who she thinks would be  
15 right for the job. Then if you had a  
16 brand new regional manager who's never  
17 done it maybe then maybe it would be the  
18 divisional who'd go in and instruct her  
19 based on her experiences what we're  
20 looking for, what characteristics and  
21 what features.

22 So it's always been a  
23 collage of people that had different  
24 levels of input as far as who it was we

15 (Pages 54 to 57)

## VAHAN KARIAN

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1 characteristics she's looking for and  
2 then present that to the class. It was  
3 done that way.

4 Q. Is that the same for the  
5 other businesses that eventually became  
6 L.A. Weight Loss?

7 A. Yes.

8 Q. Have you ever been directly  
9 involved in interviewing or selecting  
10 employees at L.A. Weight Loss?

11 A. Yes.

12 Q. Has the nature of that  
13 involvement changed over time?

14 A. Yes.

15 Q. Let's start in 1997, what  
16 was the nature of your involvement in  
17 interviewing or selecting employees?

18 A. Less so than it is today.  
19 My involvement had to do with building  
20 the back office infrastructure that we  
21 needed to support for the future growth,  
22 so I was involved with the interviewing  
23 and hiring of Hal Levine, the marketing  
24 positions, the accounting positions, the

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1 support positions, that were non-existent  
2 up until that point. So we had this  
3 growth objective and people were involved  
4 in building the center operations and  
5 back at the home office my responsibility  
6 shifted to getting people to fill the  
7 infrastructure positions and I spent a  
8 lot of time during '97, '98, '99  
9 interviewing, training or working with  
10 those people.

11 Q. Corporate headquarters  
12 folks?

13 A. Correct, yes.

14 Q. So when we talked about '97  
15 just now, that's also true of '98, '99,  
16 same type of activities?

17 A. Yes.

18 Q. But you also did some  
19 interviewing and hiring out in the field,  
20 correct?

21 A. I'm sure I did some  
22 interviewing, Ron, but I don't-- not a  
23 specific responsibility where it was my  
24 job to go and hire for a job. If I was

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1 in a market just visiting and somebody  
2 wanted me to sit in on an interview or do  
3 a second interview, I would do that. But  
4 I think my interviewing would be limited  
5 just to the upper management of the  
6 company, the regional managers or higher  
7 at that point.

8 Q. Is it fair to say that this  
9 activity was limited to start-up markets,  
10 markets that were just opening?

11 A. I would say it would be more  
12 so and tilted way more in that direction,  
13 yes.

14 Q. And the management level  
15 positions you're talking about are we  
16 talking like area supervisors?

17 A. More like regionals.

18 Q. Regionals?

19 A. Yes.

20 Q. So you mentioned it changed  
21 over time less previously more so --

22 A. It came in waves. It was a  
23 lot more in the earlier phases, early  
24 '90s and then when the companies were

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1 merged and we had this master plan to go  
2 convert from a mom and pop store to a  
3 large type company then it decreased.  
4 And then I would say more recently in the  
5 last two, three years the focus has come  
6 back to participating more in the  
7 interview process for new markets.

8 Q. And in the last two or three  
9 years what type of positions have you  
10 been involved in doing the hiring for?

11 A. Regional managers or  
12 divisional managers.

13 MS. WHITE: Could you mark  
14 the record please.

15 BY MR. PHILLIPS:

16 Q. And again, these are new  
17 markets that are opening?

18 A. Yes.

19 Q. Does the company look at  
20 inside candidates first?

21 A. Preferably, yes.

22 Q. So would it be a correct  
23 assumption that if the company is looking  
24 at outside people that they've already,